



County of Los Angeles CHIEF EXECUTIVE OFFICE

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February 24, 2012

To: Supervisor Zev Yaroslavsky, Chair
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to be "W. T. Fujioka", is written over the printed name and title.

REQUEST FOR EXTENSION TO JUNE 30, 2012 ON DEVELOPMENT OF THE COUNTY'S DEFERRED MAINTENANCE PROGRAM (SEPTEMBER 28, 2010 AGENDA, ITEM NO. 16)

This is to provide a status on the development and implementation of the Deferred Maintenance Program and request an extension to June 30, 2012. The Program was approved by your Board on September 28, 2010 and entailed the refurbishment of County public health centers, community and/or senior centers, and specific County facilities that required repairs or major deferred maintenance efforts to comply with jurisdictional and regulatory agency mandates, maintain essential services, or generate operational savings.

A secondary goal of the Program was to develop a systematic approach to the ongoing assessment of County building conditions with long-term maintenance schedules that will provide a rational basis for planning and budgetary recommendations concerning the ongoing maintenance of County facilities.

To date, refurbishment activities are underway at each of the approved projects, with exception to the Ruth Temple Health Center, which will commence upon the completion of a previously scheduled renovation project at the site. All refurbishment projects, with exception to Ruth Temple, are expected to be completed by December 31, 2012. Additional improvements are under review for the Dorothy Kirby Center and Acton Rehabilitation Center and further recommendations will be forthcoming.

"To Enrich Lives Through Effective And Caring Service"

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Development of a systematic plan for the completion of building assessments on the County's remaining facilities, as well as an ongoing deferred maintenance database and scheduling system, are also progressing. Recommendations regarding the use of the Internal Services Department (ISD) or contracting with an outside firm to conduct the remaining building assessments and assist in the development of the database system will be presented to your Board by June 30, 2012.

Status of Approved Projects

Public Health and Community and/or Senior Centers: To date, approximately 75 percent of the deferred maintenance projects approved for Public Health and Community and Senior Service (CSS) Centers have been completed. The completed work encompasses nearly 997,000 square feet at 22 Public Health and CSS Centers, including the repair or replacement of building systems such as electrical panels, heating ventilation and air conditioning (HVAC) systems, roofing and rain gutters, flooring, interior and exterior lighting, elevators, resurfacing of parking lots, accessibility improvements, and the installation of energy and water efficient fixtures such as low energy lighting, light sensors, energy efficient windows, and water saving plumbing fixtures.

With exception to the Ruth Temple Health Center and the Antelope Valley Rehabilitation Center, the work at the remaining Public Health and CSS Centers is expected to be completed by December 31, 2012.

Deferred maintenance activities at the Ruth Temple Health Center DM Project have been temporarily suspended pending completion of renovation activities currently being performed by the T.H.E. Clinic, which leases space within the Ruth Temple Health Center. The T.H.E. Clinic is managing a grant funded renovation project in its leased area that involves reconfiguration of the building's second floor interior, replacement of the elevators, and major modifications to the building's electrical and HVAC systems. It is anticipated that the T.H.E. Clinic renovation will be completed by December, 2012, at which time, the County's deferred maintenance project will commence.

The original deferred maintenance project at the Antelope Valley Rehabilitation Center entailed the repair of existing resident housing, and staff and program support structures to accommodate the consolidation of the Warm Springs and Antelope Valley Rehabilitation Centers. A more detailed investigation of the site, however, determined that the proposed repairs failed to meet current health and building and safety standards and that a more extensive approach would be required to produce an appropriate, long-term solution.

In order to meet the programmatic objective of consolidating both rehabilitation centers at the Acton site, temporary modular buildings have been installed that currently house 230 patients and the Warm Springs facility has been closed. The Chief Executive Office (CEO) and the Department of Public Works (Public Works) are continuing to evaluate alternatives for a long-term solution to housing and program space at the Acton site and will return to your Board with recommendations in the Summer of 2012.

Wastewater Treatment Systems Upgrades: The wastewater treatment system upgrade projects are being implemented to comply with Federal, State and Regional regulatory agency requirements. Construction of the most extensive and time critical wastewater treatment project is scheduled to be completed at Marshall Canyon Regional Park and Golf Course by June 30, 2012. The project consists of decommissioning and replacement of the existing treatment system with a new sewer and potable water system that will serve the Regional Park, golf course, and the Afflerbaugh/Paige Probation camp. Plans for the remaining systems are currently undergoing design review by regulatory agencies. We will provide the final project schedules on the remaining projects when permits and regulatory approvals have been obtained.

Emergency Operations Center: As of the end of January, 2012, approximately 50 percent of the work required to replace the County Emergency Operations Center HVAC system has been completed. Full completion is scheduled for June 30, 2012.

Hollywood Bowl Ramp Refurbishment (ADA): Replacement of a moving pedestrian ramp at the Hollywood Bowl required for ADA accessibility is scheduled to be completed before the 2012 performance season begins. The new ramp has been ordered, which is currently being fabricated by the vendor, and demolition of the existing ramp began in early November 2011. Installation of the new ramp will commence upon delivery.

Dorothy Kirby DOJ Refurbishment: The proposed facility upgrades entail the refurbishment of cottages, classrooms, and observation rooms to comply with Titles 15 and 24 of the California Code of Regulations. The advanced deterioration of the facilities will require a more extensive design and refurbishment plan than was initially planned. We will return to your Board in April 2012 to award a consultant services agreement to complete the necessary design documents. It is anticipated that the refurbishment and renovation work will be completed through a combination of Job Order Contractors and a competitively selected contractor that will be approved by your Board.

Deferred Maintenance Program Development

Your Board further directed the CEO to develop a comprehensive and ongoing deferred maintenance schedule that integrates facility condition surveys, best management practices of other public agencies and private firms that manage assets similar to those of the County, and annual performance measurement.

In response to your Board's direction, the CEO consulted with ISD on the best methods to complete a physical assessment of the remaining 31 million square feet of 20,000 County-owned buildings (excluding hospitals and Sheriff facilities). The preferred system would:

- establish building system lifecycles;
- maintain a digital record of completed maintenance activities and upgrades;
- schedule ongoing maintenance requirements for each facility; and
- estimate and project annual maintenance and upgrade costs based on the most recent maintenance costs and assumed escalation rates.

The CEO and ISD reviewed the assessment methodology that was utilized by ISD to survey the health and community/senior centers to determine its utility if applied to the County's remaining buildings. For comparative purposes, the CEO also issued, with the assistance of Public Works, a Request for Proposals (RFP) to private firms for the assessment of the County's remaining buildings and development of an asset tracking database system. The RFP was issued on November 2, 2011 and seven firms have submitted proposals. Review and evaluation of the proposals will be completed by the end of March 2012 and we anticipate recommending either proceeding with ISD or the award of a consultant services agreement by May 1, 2012.

Concurrent with the review of building assessment methodology, the CEO and ISD investigated the deferred maintenance policies and practices of other local governmental agencies with similar asset portfolios, including San Diego and Riverside Counties, and Los Angeles Unified School District, as well as, five of the top 24 professional asset and property management firms operating in Los Angeles. Among the firms and entities that responded, none had developed systems that project required maintenance schedules and budget requirements for ongoing and deferred maintenance activities. The system proposed for Los Angeles County will be among the first in the region to address these issues with a long-term process predicated upon building system lifecycles.

In addition, most of the firms did not manage ongoing or deferred maintenance activities centrally; preferring to rely on local coordination of facility repairs. Annual budgets for deferred maintenance consisted primarily of setting aside contingencies for unforeseen repairs. Repairs were prioritized on an emergent and reactive basis rather than according to a prescribed, strategic plan. A primary goal of the County's Deferred Maintenance Program is to avoid the severe, unanticipated cost impacts associated with emergent maintenance events and establish a stable, more manageable planning and cost model.

Ultimately, the efficacy of any program can only be determined through the continuous measurement of actual performance against established standards. The CEO and ISD are currently developing a comprehensive set of such standards for adoption by your Board. To date, performance indicators such as: variance of actual versus planned deferred maintenance costs, percentage of uninterrupted building system performance, timely maintenance or replacement of key building systems, timeliness of service delivery, and the timely procurement of equipment and building materials have been identified as valuable standards for the Deferred Maintenance Program.

Recommendations for the final package of performance standards will be presented to your Board for approval concurrent with recommendations for performance of the remaining County building assessments and development of the deferred maintenance database, which is currently scheduled for June 30, 2012.

Should you have any questions on this matter, your staff may contact Richard Beltran at (213) 893-7840, or Sabra White at (213) 974-1140.

WTF:RLR
DJT:mc

c: Executive Office, Board of Supervisors
County Counsel
Internal Services
Public Health
Public Works